

EXHIBIT.	
DATE	3/6/09
HB 2	

INDIAN COUNTRY ECONOMIC DEVELOPMENT PROGRAM

BACKGROUND:

- The Indian Country Economic Development program was created by the 59th Legislature in an effort to improve economic development in Indian Country, including the Little Shell Tribe. Monies are used for economic and business development projects, workforce training, entrepreneurial training and feasibility studies for the purposes of creating and/or retaining jobs. **Bottom line is to stimulate economic development on our reservations.**
- Funding has been available since October 1, 2005.
- Funded through House Bill 2, this one-time-only (OTO) funded program will expire on June 30, 2009.

FY 09 FUNDING USE (\$798,000)*:

A. Tribal Nations Economic Development (\$648,000)

- \$70,000 per tribe
- Governing body of the tribe is the only eligible applicant; a tribal resolution is required
- Application and detailed proposal are due March 31, 2009
- Minimum 1:1 match required

B. Indian Equity Fund for Individual Business Owners (\$126,000)

- \$7,000 per approved applicant
- 2 slots per Tribal Nation and 1 at large slot
- Native-owned business owner is the eligible applicant
- Application period was 10/0/08-12/1/08. There were 44 competitive applications for 17 slots for FY09
- Minimum 1:1 match required

C. Indianpreneurship® Business Training (\$24,000)

Available to each Tribal Nation \$3,000/training)

SUMMARY OF FY06-FY08 TRIBAL NATIONS PROJECTS

FY06

- \$440,000 available
- Leverage amount was \$2,741,909 (6:1 match)
- Jobs created/retained/trained = 542 (523 trained)

FY07

- \$400,000 available
- Leverage amount was \$3,328,956 (8:1 match)
- Jobs created/retained/trained = 21

FY08

- \$576,000 available
- Leverage amount was \$3,171,610 (5:1 match)
- Jobs created/retained/trained = 48 proposed

-FRONT-

INDIAN COUNTRY ECONOMIC DEVELOPMENT PROJECT EXAMPLES:

PIKUNI INDUSTRIES (Tribal Project), a Blackfeet Nation tribal enterprise utilized \$70,000 in Indian Country Economic Development funds in FY 2008. Pikuni Industries has partnered with Radiance Technologies (Huntsville, AL) and has been awarded an additional:

- \$3.2 million (Department of Defense grant) to research, develop, test, prototype and demonstrate Adaptive Lightweight Materials (ALM) technology and products for the US military
- \$970,000 (US Department of Commerce EDA grant) building upgrades/renovation
- \$277,500 (Blackfeet Tribal Business Council commitment) building upgrades/ renovation Currently building renovations are occurring and are expected to be completed by year's end. Next, a test bed and equipment will be installed to produce the Adaptive Lightweight Material. 12-18 people will initially be hired and trained to run the fabrication process with more than 100 jobs phased in by the fifth year.

Mr. Curtis Trinder of **TRINDER ENTERPRISES** (Indian Equity Fund Individual Business Owner Grant), a member of the Fort Peck Tribes used \$4,375 in 2008 for the purchase of appliances and a cabinet display to vertically integrate the business' remodeling operations and to include the sale of appliances. The success of this remodel encouraged the Great Northern Development Corporation to loan \$225,000 for the purchase of a building to house a complete home renovation center in Wolf Point, Montana. The business draws customers from all over rural northeastern Montana.

Since a pilot program in 2007, almost 200 individuals have participated in the **Indiapreneurship® Training**. **C2 SOLUTIONS**, Carol Cunningham (Confederated Salish and Kootenai Tribes) uses the curriculum in her classroom training, for individual technical assistance and in her work with the Coup Marks Artist Cooperative. She uses the Indiapreneurship Training in collaboration with the Growth through Agriculture, SBA 8(a) and Department of Transportation Disadvantaged Business Enterprise Certification programs. Last year she served 25 clients.

Are We Making a Difference?

- YES! Every job in Indian Country makes a difference.
- Tribal members are learning what it takes to go from being an entrepreneur to a business owner, and they are learning in a cultural environment that is conducive to their learning.
- Tribal business owners are provided some initial dollars to develop their idea into a business or to grow an existing business.

BLACKFEET NATION

DIEL LEGISTRES MID DE

P.O. Box 850 ~ Browning, Montana 59417 (406) 338-7521 ~ Fax (406) 338-7530

BLACKFEET TRIBAL BUSINESS COUNCIL

Willie A. Sharp, Jr.
Peter "Rusty" Tatsey
Terry "T.J." Show
Roger "Sassy" Running Crane
Paul McEvers
Ronald "Smiley" Kittson
Rodney "Fish" Gervais
Reis Fisher
Henry Butterfly

EXECUTIVE COMMITTEE

Willie A. Sharp, Jr. - Chairman
Peter "Rusty" Tatsey- Vice Chairman
T. J. Show - Secretary
Kenneth Augare - Treasurer

March 5, 2009

Representative Jon Sesso House Appropriations Committee Chair PO Box 200400 Helena, MT 59620-0400

Dear Representative Jon Sesso:

On behalf of the Blackfeet Tribe, we encourage the honorable House of Representatives to restore funds in House Bill 2 to the very critical program, Indian Country Economic Development program. One of the primary goals of creating this essential program under Governor Schweitzer's administration was to economically assist Indian Tribes by providing some of the same opportunities that the rest of the State enjoys: growing jobs and businesses. The Indian Country Economic Development funds have provided match monies to the Tribe for significant economic development projects that would not have been accomplished without them in Blackfeet Country. But it is not enough. Indian Country lags behind the State of Montana in average income and has a three to five times higher unemployment rate with an alarmingly high poverty level. To say the least, economic growth in Blackfeet Country is harsh. Indian Country Economic Development funds saved many Blackfeet people the long and painful journey off of the reservation in search of a better life.

Conversely, the glass is still only half full for our members. By providing our Tribe the basic, yet essential, need of the \$70,000 matching funds, we have accomplished much. One project we are extremely proud of is Pikuni Industries. Pikuni Industries is a 100% tribally-owned business that was awarded the Indian Country Economic Development fund in 2008. The start-up money allowed Pikuni to expand its operations this year and was successful in obtaining a much needed Economic Development Administration grant to renovate the facility that brings as a partner, Radiance Technologies. In April 2009, Pikuni will begin employing twenty-five new jobs to develop adaptive lightweight materials with the Department of Defense. In addition to Pikuni, three other successful projects have been created through the Indian Country Economic Development fund. Much more work remains to be done, however.

In order to be successful economically, we need your continued help to improve the lives of our citizens. Help us to reduce an alarming high unemployment rate of 73% at Blackfeet. Creating fair economic rules that work for all the citizens of Montana is not a difficult request when you consider that Tribes are often left out of the economic equation as it relates to accessing capital and financial markets. It makes sense that when Indian Country prospers, so does the entire state of Montana.

I am submitting very respectfully a request for the favorable restoration of \$1.6 million of Indian Country Economic Development Funds to House Bill 2. Your serious consideration is appreciated.

Sincerely,

Emorie Davis Bird, MPA,

Blackfeet Planning & Development Director

CommunityTel, Inc.

312 Main St, S,W. Ronan, Montana 59864 406-676-9212

March 5, 2009

Rep. Jon Sesso Chair House Appropriations Committee P.O. Box 200400 Helena, Montana 59

Subject: Restore \$1.6 Million Indian Country Economic Development Funds to HB2

Dear Chairman Sesso and Members of House Appropriations Committee

I write to ask that you restore the funding for the Indian Country Economic Development funding that has been eliminated from the Governors Budget for the next biennium.

I am a lifelong resident of the Flathead Indian Reservation and am not a member of any Tribe. My family owns CommunityTel, which operates Ronan Telephone Company, the Incumbent telephone company in Ronan and Pablo. Our holding company also has a joint venture with the Blackfeet Tribe, known as Oki Communications, LLC, to provide broadband internet services in Browning and on the Blackfeet Reservation. The Blackfeet has twice used the Country Economic Development program to provide capital to Oki, which is provided needed competition in telecom services on the Blackfeet Reservation.

In the broadest sense, even though times are tough and money is tight, this program, which has done so much to help create needed bonds between Indian Country in Montana and the State, should not be sacrificed on the altar of economic hard times. There is much that drives conflict between Tribes and the State and very few things that calm these waters. This is one of the programs that create needed bonds, and the good will it creates is worth far more that the \$1.6 Million cost.

As a lifelong non-tribal resident of the Flathead Reservation, I know first hand how needed bonds of cooperation are in Indian Country in Montana. Governor Schweitzer has made great progress in starting the process healing the many open wounds that divide our communities. This is a small price to pay to acknowledge our first citizens and continue a process of reconciliation that is all too easily derailed by short term thinking.

Thank you for your consideration.

Jay Wilson Preston

President

Cc. Members of House Appropriation Committee

FORT PECK TRIBES

Assiniboine & Sioux

March 05, 2009

The Honorable Jon Sesso
Montana State Legislature
House of Representatives
House Appropriation Committee Chairman
P. O. Box 200400
Helena, Montana 59620-0400

Dear Chairman Sesso:

Please consider this correspondence as the official request of the Assiniboine and Sioux Tribes of the Fort Peck Indian Reservation for formal reinstatement of extremely important Montana State financial assistance back into the Montana State budget for continued operation of the effective Indian Country Economic Development (ICED) Program throughout our State.

On the Fort Peck Reservation, previously available and applied Indian Country Economic Development financial assistance has positively assisted in meeting unique entrepreneurial requirements, niche small business development opportunities, creating new jobs and disposable income whose measurable benefits profoundly impact the Fort Peck Indian Reservation's Native American and Non-Indian economies.

As a result of the positive economic benefits which have accured throughout the overall Fort Peck Reservation economy from application of ICED Program financial support, I strongly encourage continued provision of Montana State finances to maintain the operation of the effective Montana State Indian Country Economic Development Program. Also, I am of the foremost opinion that requested ensuing financial assistance will continue to positively impact the Fort Peck Reservation economy by helping leverage additional business development, maintain area economic vitality and attain improved prosperity. Most importantly, continued availability of much needed ICED financial assistance will assist the Fort Peck Reservation and other Montana Indian Tribes in developing creative economic assistance portfolios and completing activities which meet respective entrepreneurial development requirements, tribal economic objectives and sustain profitable '21st century' Native American economic development throughout our areas and the State of Montana.

Sincerely,

Sauet Big Jeggrus

A. T. Stafne, Tribal Chairman

The Chippewa Cree Tribe of the Rocky Boy's Reservation

Phone: (406) 395-4478 or 4210 - Finance Office (406) 395-4282 or 4321 - Business Committee

RR1 #544 Box Elder, MT 59521

March 5, 2009

Representative Jon Sesso House Appropriation Committee Chair P O Box 200400 Helena, Montana 59620-0400

Dear Representative Sesso:

The Chippewa Cree Tribal Business Committee would like to express their support of the amendment that Representative Galen Hollenbaugh is proposing regarding funding for the Indian Country Economic Development Program.

Attached are the projects that were funded through Indian Country Economic Development Program. Not only does funding opportunities for Indian Tribes improve the economies of the Tribes, but the surrounding communities also benefit. In the case of Rocky Boy's Indian Reservation, the community of Havre benefits greatly on funds that come to our reservation. The turn over of the dollar on the reservation is one but can turn over 7 times in our neighboring communities.

We would greatly appreciate your support, as well as you colleagues, to help restore the Indian Country Economic Development Program funds to the budget of the Department of Commerce.

Should there be any questions in regards to this request, please contact Mr. Richard Sangrey, Chief of Staff, at (406) 395-4478.

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Raymond Parker Jr.

Chairman

Sincerely.

Chippewa Cree ICED Projects

FY 2009 Project:

The Rocky Boy's Chippewa Cree Tribe was awarded \$70,000 for an economic development partnership between the Square Butte Trading Post (a private, tribal-member owned business) and the Rocky Boy Arts & Crafts Cooperative (a tribally owned enterprise). The funding will support the co-development of each entity and will provide technical assistance to the Cooperative on behalf of the Trading Post. The tribe is providing their Rocky Boy Tourism Center Building. The grant is leveraged with \$267,550 in hard match, in-kind services, building value and inventory and is expected to create an initial four jobs. Match is 1:3.88.

FY 2008 Project:

The **Chippewa Cree Tribe** was awarded \$70,000 to access start up funds to provide tribal workforce training and development, provide entrepreneurial training and assist in the development of entrepreneurial services and financial literacy as part of their Ojibwa Ne-i-yah-w Initiative. The Initiative recognizes that in order for the Tribe to have effective economic development and business/job development, they first must have a strong, healthy, competent workforce. The grant is matched with \$235,200 from the Tribe and is expected to initially **create** five jobs. Match was 1:3.36.

FY 2007 Project:

The Chippewa Cree Tribe was awarded \$50,000 to support a design/build contract for an ethanol (and its by-products) plant on the Rocky Boy's Reservation. The project goal was to offer wheat producers across Montana the opportunity to sell wheat to a local facility, add value to a Montana-produced commodity and dramatically cut shipping costs. Total project match was \$300,000. Although the project had the potential to create approximately 43 full-time jobs at full implementation, as well as several hundred additional positions during construction, it has not come to fruition, primarily due to the unforeseen substantial increase in the price of wheat which was overall great for the state of Montana revenues, but was not good for the development of alternative bio-fuels. Match was 1:6.

FY 2006 Project:

The **Chippewa Cree Tribe** was awarded \$55,000 and completed a marketing study for a potential ethanol (and its by-products) plant. The project focused its resources on additional development including environmental assessments, permitting, land development and engineering. After completion of the marketing plan, the information gleaned will be shared with the National Tribal Development Association to raise the estimated \$84.7 million in capital needed

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Chippewa Cree ICED Projects

to construct the facility. At fruition, this project had the potential to create approximately 43 full-time jobs, as well as several hundred additional positions during construction. Total project match was \$150,000 and two jobs were created.

Project Year	Grant	Match	# Jobs Created/	Ratio ICED:Tribal
	Amount	amount	Trained/Retained	
2009	\$70,000	\$267,550	4 (contract	1:3.88
	, , , , , ,	Ψ207,000	open)	1.3.00
2008	\$70,000	\$235,200	5 (contract	1:3.36
	•	Ψ200,200	open)	1:3:36
2007	\$50,000	\$300,000	-0-	1:6
2006	\$55,000	\$150,000	2	1:3

Fort Belknap Indian Community



R.R. 1, Box 66
Fort Belknap Agency
Harlem, Montana 59526
PH: (406) 353-2205
FAX: Council - (406) 353-4541
FAX: Departments - (406) 353-2797

Fort Belknap Indian Community
(Tribal Gow.)

Fort Belknap Indian Community
(Elected to administer the alfalve of the community and
to represent the Assinibotine and the Gros Ventra
(Tribas of the Fort Belknap Indian Resorvation)

March 4, 2009

Representative Jon Sesso House Appropriations Committee Chair P.O. Box 200400 Helena, Montana 59620-0400

Ref: Montana's Indian Country Economic Development Program

Dear Representative Sesso:

The Fort Belknap Indian Community Council fully supports the re-instatement of the Indian Country Economic Development (ICED) Program funds back into the State's budget. We understand the State Legislature's concern to cut budget costs, we, as a Tribal Government, are faced with the same reality. However, with the Economy as it is, the Indian Country Economic Development funds have made a great economic impact on the Fort Belknap Reservation. Over the past four years, the ICED funds have created and retained 13 full times jobs. These are individuals who continue to be self-sufficient and do not have to rely on TANF or welfare funds.

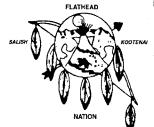
The Fort Belknap Indian Community Council fully supports the efforts to re-instate the Indian Country Economic Development funds back into the State's budget. Over the past four years, the ICED Program has made a significant economic impact on the Fort Belknap Reservation and through-out Indian Country and the State of Montana.

If you should have any questions, please call me at (406) 353-8303.

Sincerely, Rayour (la la for

Julia doney President

THE CONFEDERATED SALISH AND KOOTENAI TRIBES OF THE FLATHEAD NATION



P.O. BOX 278
Pablo, Montana 59855
(406) 275-2700
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A Confederation of the Salish, Upper Pend d'Oreilles and Kootenai Tribes

March 5, 2009

Representative Jon Sesso House Appropriations Committee Chair PO Box 200400 Helena MT 59620-0400

RE: Indian Country Economic Development Funds

Dear Rep. Sesso:

TRIBAL COUNCIL MEMBERS:
James Steele Jr. – Chairman
E.T. "Bud" Moran – Vice Chair
Steve Lozar – Secretary
Jim Malatare – Treasurer
Joe Durglo
Carole Lankford
Michel Kenmille
Reuben A. Mathias
Charles L. Morigeau
Terry L. Pitts

I am writing to voice my support for the full restoration of the Indian Country Economic Development (ICED) funds in the amount of \$1.6 million for the next biennium. These funds are instrumental in spurring economic development activities on the Flathead Reservation and the other reservations in Montana — areas that have historically suffered through high rates of unemployment, poverty, and a lack of economic opportunity.

The Indian Country Economic Development funds are essential to the economic development efforts of the tribes in Montana. These funds are used for such things as business start-up, job creation, job training, job retention, comprehensive community and economic planning, feasibility studies, and market analysis, and other responsible economic development activities.

As Chairman of the Confederated Salish and Kootenai Tribes and of the Montana Wyoming Tribal Leaders Council, economic development is a top priority. I greatly appreciate your time and consideration of restoring the ICED funds to the full amount. If I can answer any questions or help in any way, please do not hesitate to call.

Sincerely,

James H. Steele, Jr., Chairman

Confederated Salish and Kootenai Tribes

President John Sinclair

Vice President Ed Lavenger

Secretary Treasurer Jessie Fuzesy

THE LITTLE SHELL TRIBE OF CHIPPEWA INDIANS OF MONTANA

Great Falls Office: 1807 3rd St NW Suite 35A . Box 1384 . Great Falls, MT 59403 Ph. 406-452-2892 - Fax 406-452-2982 e-mail: lstgtfalls@bresnan.net Havre Office: 2229 5th Ave Suite 104 • Havre, MT 59501 Ph. 406-265-6743 ext. 104 e-mail: 1 @hrdc4havre.mt.us Website: www.littleshelltribe.us



Council Members

Alvina Allen

Steve Doney

Randy Randolf Cree Doney

To:

Representative Jon Sesso

House Appropriations Committee Chair

4064522982

State of Montana Legislature

PO Box 200400

Helena MT 59620-0440

Dear Representative Sesso,

It is with great urgency that I request you to vote in favor of restoring the full 1.6 million dollars of Indian Country Economic Development (ICED) funds to the Governor's budget. The Little Shell Chippewa Tribe of Montana has no other resources to draw from in attempting to develop economic activities for our tribe and our people.

The mission of The Little Shell Chippewa Tribe is to improve the lives of our people. Indian Country Economic Development (ICED) funds provide the opportunity to pursue economic development projects that can have a positive impact on the lives of our people. Beyond those things that can be measured, number of jobs created or retained, is the intangible. Who can measure the spirit of a person? Who can weigh the pride of accomplishment? These things are the true meaning of the ICED program to the Little Shell people. What we do, we share, all are honored by work well done.

Sincerely,

Russell V. Boham, Executive Director

Little Shell Chippewa Tribe

EXHIBIT_	<u>a</u>
DATE_3	16/09
HB 2	

MONTANA MAIN STREET PROGRAM

What is the Main Street Program?

- A <u>historic-preservation based economic development program</u> that has been used in more than a thousand rural and urban communities nationwide since 1980.
- Montana's program is intended to <u>spark life into traditional downtown districts</u> from the very smallest to the largest communities in Montana.
- A competitive application process is held each year.
- It was authorized by the Montana Legislature in 2005.

Designated Communities	Temporary Affiliate Status (2,000 to 5,000 residents)	Permanent Affiliate Status (less than 2,000 residents)
Stevensville	Glasgow	Columbus
Red Lodge	Polson	Sheridan
Livingston	Shelby	White Sulphur Springs
Anaconda	Townsend	
Libby	Whitehall	and the second s
Butte		

Why is the Program Important?

- The Main Street approach encourages communities to use their unique assets distinctive architecture, pedestrian-friendly atmosphere, local ownership, and personal service to rebuild their downtowns.
- Main Street focuses on the revitalization of the central business district because a healthy, economically viable, and attractive downtown is important to the overall health and vitality of an entire community.

How does it work?

- The Main Street Four-Point Approach is a comprehensive strategy that is tailored to meet local needs and opportunities. It encompasses work in four distinct areas
 - > design,
 - > economic restructuring,
 - > promotion, and
 - > organization
- The state Main Street program provides communities with a <u>broad range of on-site</u> technical consulting and training.
 - <u>First-year designated communities receive</u> assistance with organizational capacity-building, which consists of training in board development and staff development, Four-Point training, and work plan development.

- The second year, they receive market analysis assistance, and every year thereafter they receive on-site trainings on topics related to downtown revitalization.
- Ongoing designated and affiliate communities receive free registration to the annual Montana Main Street conference, free registration to 2-3 trainings per year, free participation in monthly webinars, free reference materials, and one year of membership in the National Main Street Network. In essence, the state Main Street program helps communities help themselves.

What has the program done in the last three years?

The communities of <u>Libby</u>, <u>Polson</u>, <u>Stevensville</u>, <u>Anaconda</u>, <u>Butte</u>, <u>Red Lodge</u>, and <u>Livingston</u> are responsible for these statistics.

Dollar value of promotions:	\$5,464,357
Dollar value of public improvements downtown:	\$4,007,533
Dollar value of building improvements downtown:	\$4,916,863
Dollar value of new construction downtown:	\$7,612,000
New businesses downtown:	119
Net new jobs downtown:	221
Total volunteer hours contributed by residents of these 7 communities:	21,914